



European Securities and
Markets Authority

ESMA's initiatives on supervisory reporting

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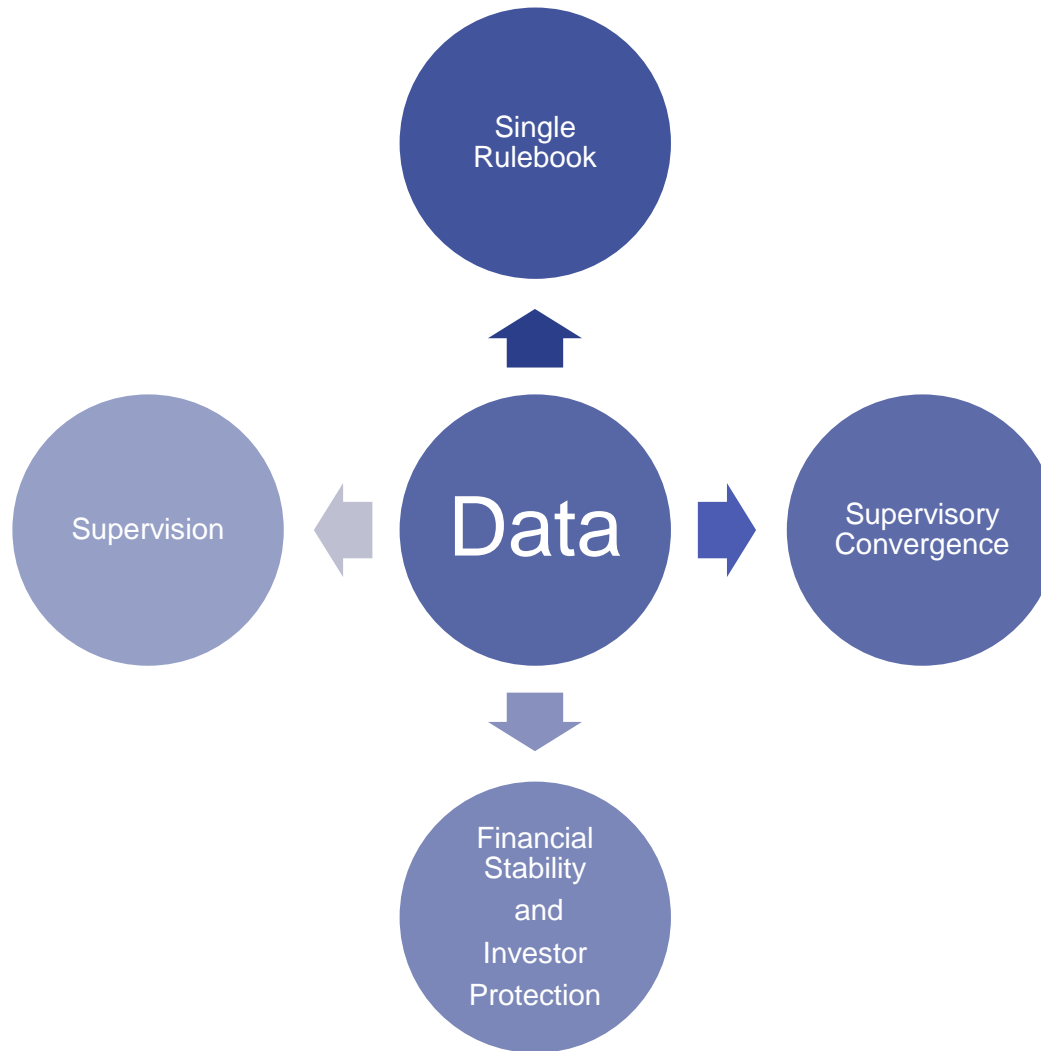




Overview

1. Data at ESMA
2. Regulatory use of data
3. ESMA strategic approach
4. Way forward

1. Data at ESMA



Data is supporting all ESMA's objectives and activities



1. Data at ESMA

Four perspectives on data at ESMA:

REGULATOR, as a drafter of technical standards on data reporting
Stakeholders: the financial sector and the supervisory community

FACILITATOR, by making data available to supervisors, regulators, central banks and being a data exchange facility among them
Stakeholders: the NCAs, EBA, EIOPA, ESRB, FSB, CBs

USER, as a consumer of data for its activities, such as supervision or financial stability
Stakeholder: ESMA

PUBLISHER, by making available statistics, registers and parameters needed by markets to work
Stakeholders: the public, market participants and the financial sector as a whole

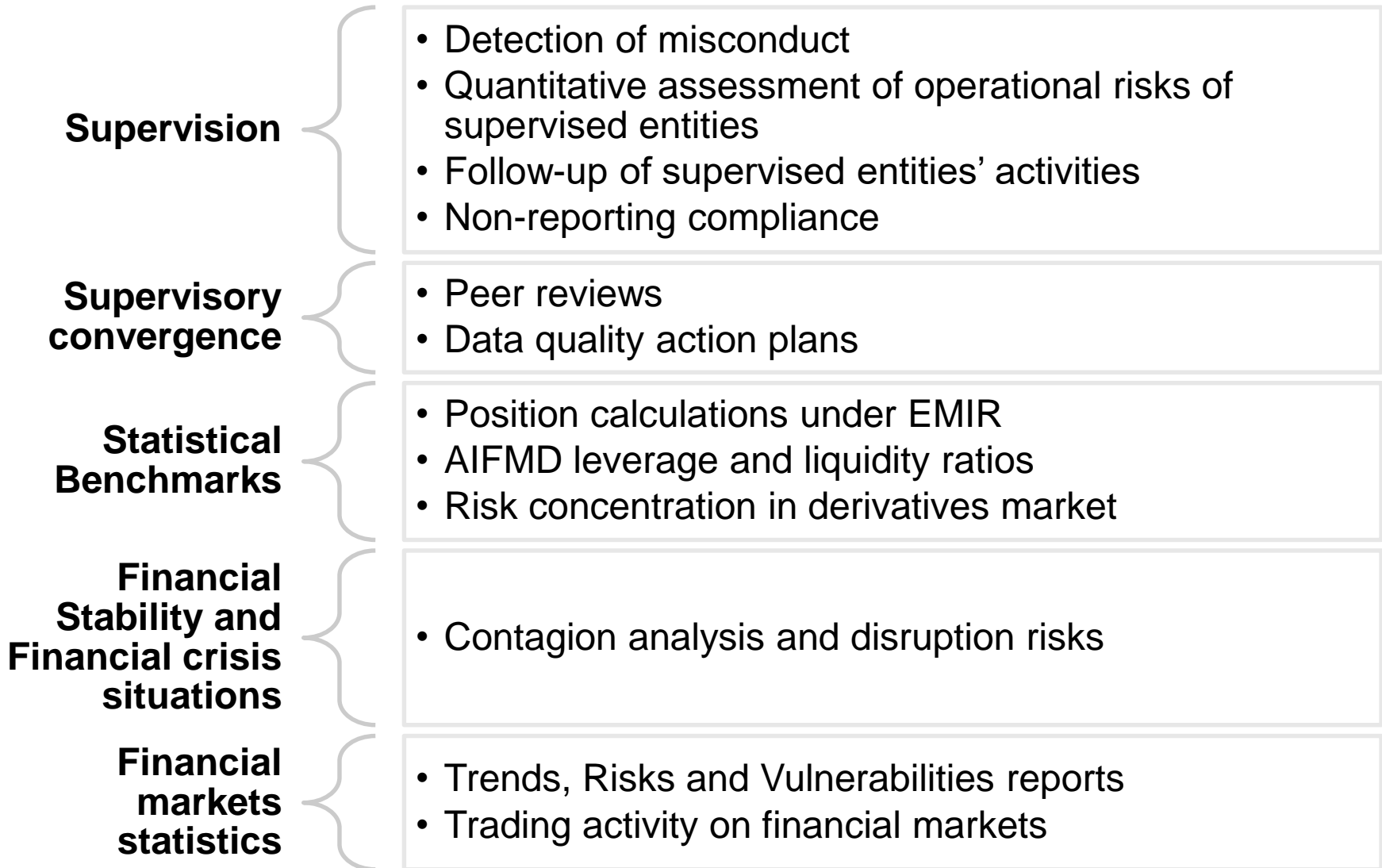
2. Regulatory use of data – landscape

- MiFID II/MiFIR
 - Transaction reports
 - Post trade transparency
 - Order data
 - Registers
 - Reference data
- EMIR – TRs data
 - Regulatory data
 - Public data
- SFTR – TRs data
 - Regulatory data
 - Public data
- CSDR
- AIFMD
- MMF
- Securitisation Regulation
- Transparency Regulation
- Prospectus Regulation
- MAR

Each sectoral legislation has a **different scope and purpose**, requiring each reporting regime to be **tailored accordingly**



2. Regulatory use of data – NCAs and ESMA





2. Regulatory use of data– Evidence based rule making

- Establishing **clearing obligations** under EMIR
- Establishing **trading obligations** for derivatives under MiFID II
- Determining MiFID II **thresholds** (e.g. liquidity, size specific)
- Determining the total market size for the performance of **ancillary activity tests**
- Assessing the systemic importance of the transactions of **non-financial firms** in OTC derivatives and the use of OTC derivatives by non-financial firms
- **Publication of data** for compliance and other purposes



3. ESMA strategic approach – breaking the silos

- ESMA Data Strategy
- ESMA internal common Data Policy
- ESMA internal common Data procedures
- Data Standing Committee
- ESMA internal - Data Management Committee
- Data and Analytics team
- Data quality action plans – AIFMD, EMIR, Short Selling, CRAs and others



3. ESMA strategic approach – Data Strategic

- **Governance**
 - Centralization and close coordination of policy and data quality management work across all sectoral legislations within ESMA
- **Standardization**
 - Development of a common Data Reporting Standards Framework
 - Use of ISO (e.g. LEI, ISIN) and other international standards
- **Implementation**
 - Systematic development of Data Action Plans for all data collected by NCAs and ESMA
- **Opportunities**
 - Assessing RegTech trends and potential use of RegTech at ESMA and NCAs
- **Communication**
 - Increasing communication on ESMA use of data (publications, seminars, reports, studies, etc.)



4. Way forward – lessons learned so far

- Starting with the purpose – what is the data for?
- Ensuring consistency across different reporting regimes
- Harmonisation of definitions
- Standardisation of data elements and permissible values
- Addressing data quality management from the outset
- Acknowledging the importance of sufficient time and resources to develop and implement a reporting regime



4. Way forward – best practices

- Developing **consistent and coherent approach** to data reporting legislative initiatives across various frameworks
- Exploiting synergies amongst reporting frameworks, including the **use of common reporting standards**
- Ensuring the **precision and consistency** of the relevant empowerments and definitions in primary legislations
- Introducing **dedicated and appropriate legal instruments** for the necessary reporting instruction and technical documentation
- Providing **sufficient timelines and resources** to develop and implement reporting requirements

QUESTIONS?